

AMENDED IN SENATE AUGUST 24, 1998
AMENDED IN SENATE AUGUST 17, 1998
AMENDED IN SENATE JULY 27, 1998
AMENDED IN SENATE JUNE 23, 1998
AMENDED IN SENATE JUNE 26, 1997
AMENDED IN ASSEMBLY APRIL 28, 1997

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

ASSEMBLY BILL

No. 1453

Introduced by Assembly Member Cardenas

February 28, 1997

An act to amend Section 8880.4 of the Government Code, relating to the state lottery.

LEGISLATIVE COUNSEL'S DIGEST

AB 1453, as amended, Cardenas. California State Lottery: Cardenas Textbook Act of ~~1999~~ 2000.

(1) The California State Lottery Act of 1984 specifies that of the total annual revenues from the sale of state lottery tickets or shares, 50% shall be returned to the public in the form of prizes, as specified, at least 34% shall be allocated to the benefit of public education, as specified, and no more than 16% shall be allocated for the payment of expenses of the lottery as described in the lottery act.

This bill would require that for the 1998–99 fiscal year and each fiscal year thereafter, 50% of any increase in the share

of these moneys calculated to the benefit of public education from the amount calculated in the 1997–98 fiscal year be allocated to school districts and community college districts for the purchase of instructional materials on the basis of an equal amount per unit of average daily attendance.

(2) The bill would provide that the changes to the lottery act specified in (1), would take effect only when submitted to and approved by the voters. The bill would require that its provisions be submitted to the electors at the next statewide election occurring 131 days after this act is adopted.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. This act shall be known and referred to
2 as the “Cardenas Textbook Act of ~~1999~~ 2000.”

3 SEC. 2. Section 8880.4 of the Government Code is
4 amended to read:

5 8880.4. Revenues of the state lottery shall be allocated
6 as follows:

7 (a) Not less than 84 percent of the total annual
8 revenues from the sale of state lottery tickets or shares
9 shall be returned to the public in the form of prizes and
10 net revenues to benefit public education.

11 (1) Fifty percent of the total annual revenues shall be
12 returned to the public in the form of prizes as described
13 in this chapter.

14 (2) At least 34 percent of the total annual revenues
15 shall be allocated to the benefit of public education, as
16 specified in Section 8880.5. However, for the 1998–99
17 fiscal year and each fiscal year thereafter, 50 percent of
18 any increase in the amount calculated pursuant to this
19 paragraph from the amount calculated in the 1997–98
20 fiscal year shall be allocated to school districts and
21 community college districts for the purchase of
22 instructional materials, on the basis of an equal amount
23 per unit of average daily attendance, as defined by law,
24 and through a fair and equitable distribution system
25 across grade levels.

(3) All unclaimed prize money shall revert to the benefit of public education, as provided for in subdivision (e) of Section 8880.32.

(4) All of the interest earned upon funds held in the State Lottery Fund shall be allocated to the benefit of public education, as specified in Section 8880.5. This interest is in addition to, and shall not be considered as any part of, the 34 percent of the total annual revenues that is required to be allocated for the benefit of public education as specified in paragraph (2).

(5) No more than 16 percent of the total annual revenues shall be allocated for payment of expenses of the lottery as described in this chapter. To the extent that expenses of the lottery are less than 16 percent of the total annual revenues, any surplus funds also shall be allocated to the benefit of public education, as specified in this section or in Section 8880.5.

(b) Funds allocated for the benefit of public education pursuant to subdivision (a) are in addition to other funds appropriated or required under existing constitutional reservations for educational purposes. No program shall have the amount appropriated to support that program reduced as a result of funds allocated pursuant to subdivision (a). Funds allocated for the benefit of public education pursuant to subdivision (a) shall not supplant funds committed for child development programs.

(c) None of the following shall be considered revenues for the purposes of this section:

(1) Revenues recorded as a result of a nonmonetary exchange. "Nonmonetary exchange" means a reciprocal transfer, in compliance with generally accepted accounting principles, between the lottery and another entity that results in the lottery acquiring assets or services and the lottery providing assets or services.

(2) Reimbursements received by the lottery for the cost of goods or services provided by the lottery that are less than or equal to the cost of the same goods or services provided by the lottery.

(d) Reimbursements received in excess of the cost of the same goods and services provided by the lottery, as

1 specified in paragraph (2) of subdivision (c), are not a
2 part of the 34 percent of total annual revenues required
3 to be allocated for the benefit of public education, as
4 specified in paragraph (2) of subdivision (a). However,
5 this amount shall be allocated for the benefit of public
6 education as specified in Section 8880.5.

7 SEC. 3. Sections 1 and 2 of this act amend the
8 California State Lottery Act of 1984, an initiative statute,
9 and shall become effective only when submitted to and
10 approved by the voters. Sections 1 and 2 of this act shall
11 be submitted to the electors at the next statewide election
12 occurring at least 131 days after this act is adopted in the
13 same manner as measures submitted to the voters by the
14 Legislature, as provided in the Elections Code.

